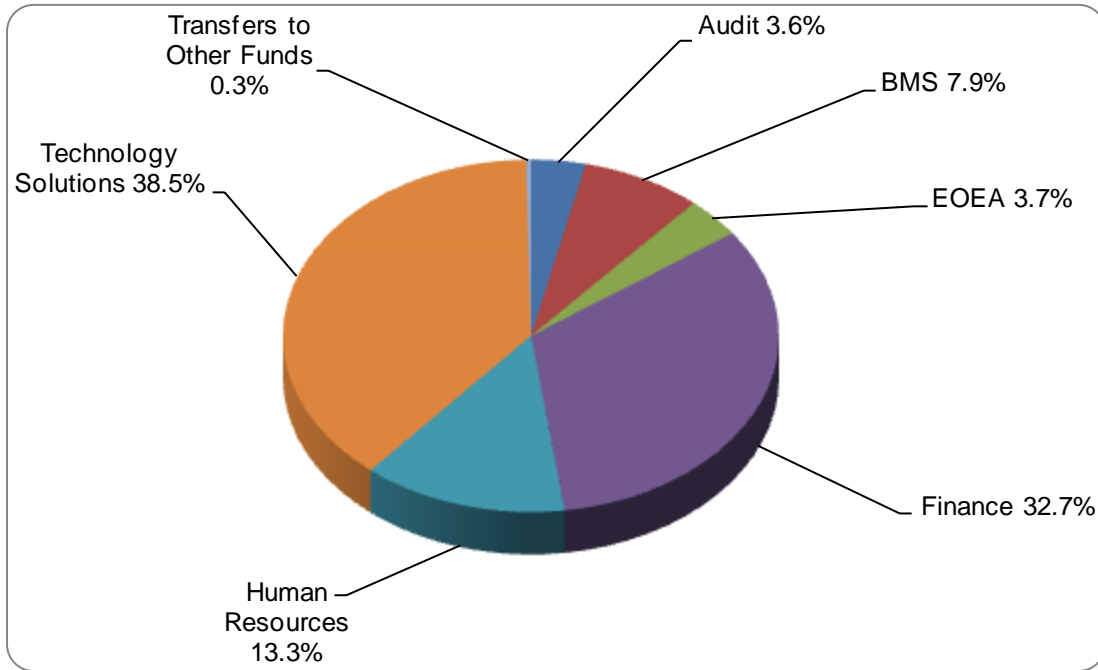


**ADMINISTRATIVE AND SUPPORT
BUDGET SUMMARY**

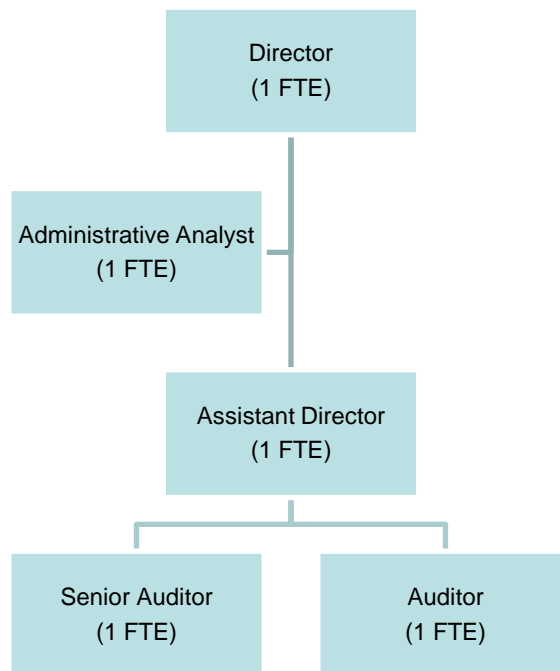
	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Non-Grant					
Appropriations					
Audit Services	\$ 545,056	\$ 545,601	\$ 552,317	\$ 553,732	1.5%
Budget and Management Services	1,235,585	1,224,579	1,218,274	1,226,476	0.2%
Equal Opportunity and Equity Assurance	555,082	567,872	714,256	575,930	1.4%
Mayor's Committee for Disabled	-	5,550	4,184	5,500	-0.9%
Finance	4,906,527	5,023,427	5,012,174	5,098,397	1.5%
Human Resources	1,612,722	1,783,151	1,685,593	1,751,014	-1.8%
Drug Testing	-	-	3,057	-	0.0%
Hospital Reimbursement	55,079	30,000	30,000	30,000	0.0%
Unemployment Compensation	407,127	400,000	700,000	300,000	-25.0%
Technology Solutions	5,543,529	5,705,648	5,905,388	6,000,130	5.2%
Pay Adjustments/Others	-	-	-	-	0.0%
Transfers to Other Funds	48,709	48,709	48,709	48,709	0.0%
Total Appropriations	\$ 14,909,416	\$ 15,334,537	\$ 15,873,952	\$ 15,589,888	1.7%
Full Time Equivalents	132	130	130	129	(1.0)
Part Time	2	2	2	2	-
Revenues					
General Fund					
Discretionary	\$ 14,235,297	\$ 13,984,021	\$ 14,504,723	\$ 14,251,612	1.9%
Program	485,946	674,212	690,440	677,311	0.5%
General Fund Subtotal	\$ 14,721,243	\$ 14,658,233	\$ 15,195,163	\$ 14,928,923	1.8%
Water and Sewer Fund	188,173	190,960	191,064	193,602	1.4%
Debt Service Fund	-	-	-	-	0.0%
Risk Claims Fund	-	406,379	406,379	386,624	-4.9%
Employee Insurance Fund	-	78,965	81,346	80,739	2.2%
Total Revenues	\$ 14,909,416	\$ 15,334,537	\$ 15,873,952	\$ 15,589,888	1.7%

ADMINISTRATIVE AND SUPPORT





Audit Services (5 FTEs)



AUDIT SERVICES

Purpose Statement

To provide independent, objective assurance and investigative services.

DEPARTMENT DESCRIPTION

Audit Services

\$553,732

5 FTEs

Auditing is an independent appraisal function designed to examine and evaluate activities within the City as a service to management, the Audit Services Oversight Committee, and elected officials. Auditing provides assurance that internal controls are adequate to minimize risks and add value through effective and efficient operations. External entities are also subject to review to determine whether revenues have been properly remitted to the City, and whether grant or pass-through funds are appropriately utilized.

The Audit Services Department conducts compliance and performance audits, non-audit services (e.g. participation in: 1) the Departmental Strategic Plan; 2) outside Peer Review teams; and 3) review of documents such as the Asset Management Strategy) and performs investigations and special reviews. The department is responsible for administration of the external audit contract as well as obtaining an external peer review of the department's activities. The department maintains a confidential Fraud, Waste, and Abuse Hotline to help ensure fiscal responsibility and accountability throughout the organization.

Audit Program

Provides independent assurance that internal controls are adequate to minimize risks and add value.

Fraud, Waste and Abuse

Promotes an anonymous means to detect, deter and prevent fraud, waste or abuse.

Administration

Organizes human and capital resources through planning, leading, staffing and controlling activities.

External Audit

Project management of City-wide financial audit including administration of the contract and RFP process.

RESOURCE ALLOCATION

	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Appropriations					
Personal Services	\$ 460,706	\$ 447,466	\$ 456,182	\$ 453,904	1.4%
Operating	84,350	96,135	96,135	99,828	3.8%
Capital and Other	-	2,000	-	-	-100.0%
Total Appropriations	\$ 545,056	\$ 545,601	\$ 552,317	\$ 553,732	1.5%
Full Time Equivalents	5	5	5	5	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 545,056	\$ 545,601	\$ 552,317	\$ 553,732	1.5%
Program	-	-	-	-	0.0%
Total Revenues	\$ 545,056	\$ 545,601	\$ 552,317	\$ 553,732	1.5%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Audit Program

General Fund: \$332,239

FTEs: 3

Goal: Well-Managed City

Objective: To provide independent and objective assurance and consulting services that enhance the efficiency and effectiveness of the City's services; and ensure resources are used in accordance with established laws.

Initiative: Complete comprehensive audits and quarterly follow-up reports and provide useful recommendations for management.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
# Comprehensive audits completed	10	10	10	10
% Recommendations accepted by management	100%	100%	100%	100%
# Audits/Reports completed during the year per FTE	5	4	4	4

Program: Fraud, Waste and Abuse

General Fund: \$69,217

FTEs: 0.625

Goal: Well-Managed City

Objective: To increase awareness about fraud, waste and abuse by communicating the need for ethical behavior regarding City financial transactions and relationships with customers, vendors and employees.

Initiative: Market the fraud, waste and abuse Hotline in at least 2 different media during the year in conjunction with City wide training on ethics.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of Fraud hotline tips investigated within 2 days	100%	100%	100%	100%
# of Fraud, waste and abuse allegations investigated	28	19	24	25
% of Fraud hotline tips substantiated	45%	40%	40%	45%

Program: Administration **General Fund: \$138,433**
FTEs: 1.25

Goal: Well-Managed City

Objective: Obtain training and maintain certifications for staff to meet required professional standards, and to sustain a highly trained professional staff.

Initiative: Meet the GAO's Government Auditing Standard that requires each auditor to complete at least 80 hours of Continuing Professional Education every two years which contributes to each auditor's proficiency.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
# of CPE hours completed by the staff	160	160	160	160
% of Audit staff achieving professional certification	100%	100%	100%	100%

Objective: Engage in continuous process improvement.

Initiative: Evaluate existing technologies. Implement technologies to streamline/enhance departmental operations.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of Active Strategic Plan initiatives meeting target implementation timeline	80%	80%	80%	80%
% of Active Strategic Plan measures showing improvement (upward trend)	80%	80%	80%	80%

Program: External Auditor **General Fund: \$13,843**
FTEs: 0.125

Goal: Well-Managed City

Objective: To conform to requirements for contracting for the annual audit per North Carolina G.S.159-34.

Initiative: Comply with invoice processing and audit completion deadlines.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of Invoices approved prior to entering into MUNIS	100%	100%	100%	100%

% of Times audit report was completed by the designated 10/31 for each fiscal year	100%	100%	100%	100%
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BUDGET ISSUES FOR FY 2014-15

- The external audit contract fee will increase by approximately 3% for FY 2015.

ACCOMPLISHMENTS FOR FY 2013-14

- Received a Certificate of Compliance by ALGA (Association of Local Government Auditors) for the positive outcome of the 2013 Peer Review.
- Emphasized increased monitoring and internal control implementation through a combination of compliance and performance audits for activities such as the Use of Social Media Performance Audit, the Controls Over Inventory, Tools and Safety Materials Performance Audit, the Permitting Process Performance Audit and the Grants Drawdown Performance Audit.
- Developed performance measures for the new Departmental Strategic Plan.
- Held the Fraud Prevention Awareness Symposium with highly rated speaker, Jonathan Kraftchick.
- Volunteered in programs such as Habitat for Humanity with 100% participation from staff.
- Utilized the ACL software application, Benford's Law, and computer aided audit techniques to better assess risks during audit engagements.
- Obtained a total of 160 hours of required continuing professional education in the department including ethics training for the professional staff; and the staff celebrated the Director's completion of her terminal degree.
- Completed eleven (11) EOS activities towards improvement of the employee opinion survey rating.
- Authored article: *Analytic Techniques* in the ALGA Quarterly Fall Journal which highlighted various techniques used in testing for performance audits.
- Monitored the Fraud, Waste and Abuse hotline; investigated 20 allegations.
- Evaluated and developed specific training and career development plans for Audit staff.
- Participated in City College to provide employees a general overview of the Audit Services Department.
- Participated in the 2014 Speakers Forum for the Raleigh, NC Chapter of IIA (Institute of Internal Auditors).
- Celebrated the participation by Germaine Brewington and Sonal Patel as reviewers on two different Peer Review Teams (City of Charlotte and Hanover County, VA).
- Taught seven sessions (lead by Senior Auditor Craig Umstead) of the Ethics component of NEO (New Employee Orientation) training.
- Celebrated the participation and completion by Alex Terry of Leadership Academy.

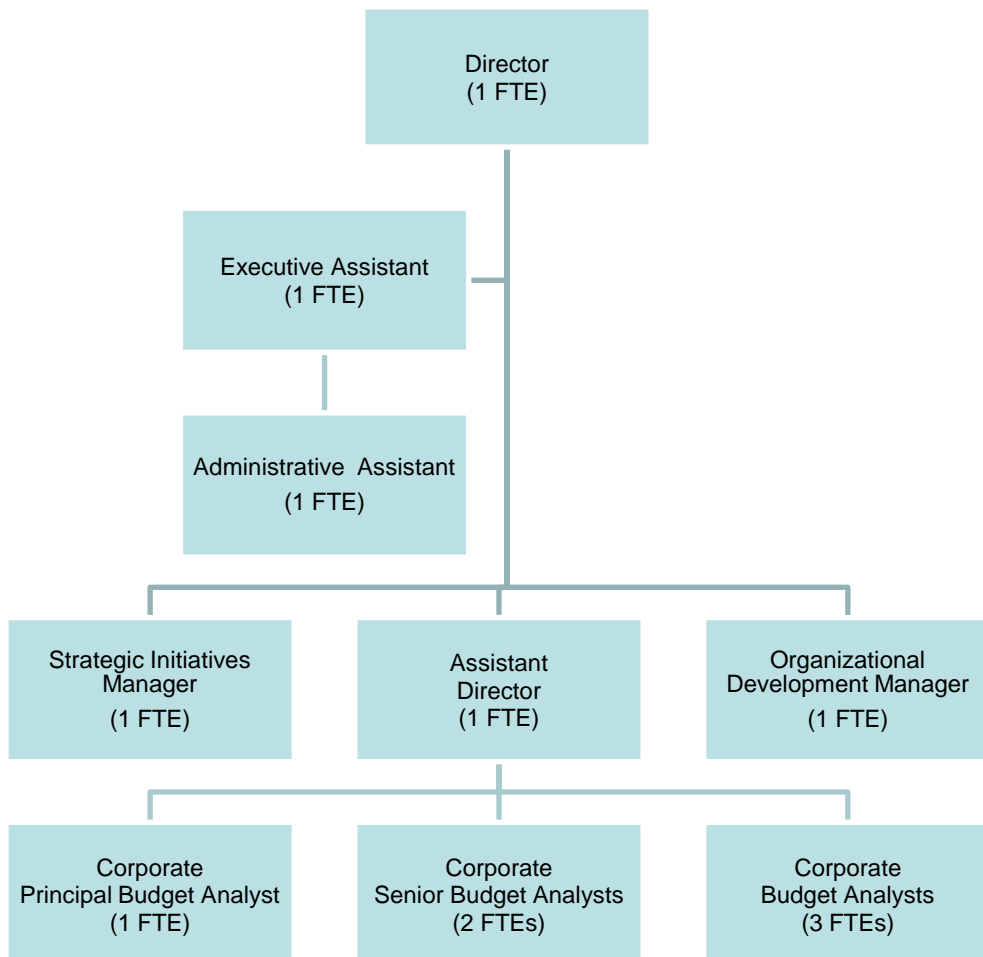
ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

- Focus on performance audits that examine processes that impact poverty in the City of Durham .
- Plan out and actively engage in activities to meet the timelines for the Departmental Strategic Plan initiatives.
- Apply continuous monitoring for selected processes as a result of using the MUNIS integrated modules.
- Conduct at least two training sessions targeted to City staff accountable for developing, implementing, and monitoring internal controls.
- Evaluate and continue to develop specific training, career development and certification plans for Audit staff.
- Enhance sustainability initiatives to gain efficiencies in the auditing program, thus reducing costs.
- Continuously research best practices to complement and augment the risk-based audit work plan process.
- Produce a semi-annual newsletter that will provide "best practices" of specific targeted control issues, and update the community on fraud, waste and abuse issues.
- Participate in City College to provide a general overview to employees of the Audit Services Department.
- Participate in the building of at least two Habitat for Humanity houses.
- Develop and implement strategies to improve employee satisfaction within the department by using results from the Employee Opinion Survey to impact positive change.
- Seek to integrate outside experts in the areas of ethics and internal controls to supplement in house staff training.



Budget & Management Services

(12 FTEs)



BUDGET AND MANAGEMENT SERVICES

Purpose Statement:

To inform decision making, align resources with organizational priorities, and improve the performance of employees and processes.

DEPARTMENT DESCRIPTION

Budget and Management Services

\$1,226,476
12 FTEs

The department is primarily responsible for the development and oversight of the City's annual budget and Capital Improvement Program (CIP). The department is also responsible organizational development, performance management and strategic planning. The department provides policy and management analysis to support decision making. The department primarily supports two Strategic Plan goals; Well Managed City and Stewardship of the City's Physical Assets.

Other departmental responsibilities include training and support for the MUNIS / ERP budgeting module, the coordination of cross-organization training and leadership initiatives such as Culture of Service, and participation in downtown and neighborhood economic strategies. Overall the department is focusing on furthering the goal of transparency and accountability with its operations and communications and enhancing citizen and employee engagement.

Administration

Administration provides leadership and administrative support both within the department and throughout the City government.

Annual Budget and Capital Improvement Program (CIP) Development, Monitoring and Reporting

This program provides for the development and oversight of the City's annual budget and CIP. Also, supports the Citizen Capital Improvement Panel (CCIP) and CIP project website.

Strategic Initiatives/Organizational Development

Maintains the citywide Strategic Plan and provides support in the development of departmental strategic plans. Also, conducts operational and organizational studies as identified by City Council, City Manager's Office, department and budget staff. Works with departments to build and implement performance measurement monitoring and evaluation. Provides oversight of the resident and employee opinion surveys.

RESOURCE ALLOCATION

	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Appropriations					
Personal Services	\$ 1,130,939	\$ 1,110,667	\$ 1,095,082	\$ 1,117,987	0.7%
Operating	104,646	113,912	123,192	108,489	-4.8%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 1,235,585	\$ 1,224,579	\$ 1,218,274	\$ 1,226,476	0.2%
Full Time Equivalents	12	12	12	12	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 1,233,085	\$ 1,224,579	\$ 1,218,274	\$ 1,226,476	0.2%
Program	2,500	-	-	-	0.0%
Total Revenues	\$ 1,235,585	\$ 1,224,579	\$ 1,218,274	\$ 1,226,476	0.2%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Annual Budget Development, Monitoring and Reporting **General Fund: \$591,053**
FTEs: 6.0

Goal: Well Managed City

Objective: To provide a budget document that meets the program criteria of the Government Finance Officers Association (GFOA) and serves as a policy document, operations guide, and financial plan for the City.

Initiative: Develop a budget document that qualifies for GFOA Distinguished Budget Presentation Award.

Measure:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Received GFOA distinguished budget award	YES	YES	YES	YES

Objective: To project General Fund discretionary revenues to within 1% of actual revenues received.

Initiative: Develop revenue estimates based on information obtained from other city departments, state agencies, and the Durham County Tax Office.

Measure:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
% Accuracy of discretionary General Fund revenue projection	0.9%	±1.0%	-0.80%	±1.0%

Objective: To provide timely and accurate reports to update the City Manager and City Council on the City's current and future financial position and to support decision making.

Initiative: Present quarterly financial reports to the City Manager and City Council and post reports on the City's internet.

	Actual	Adopted	Estimated	Proposed
Measure:	FY13	FY14	FY14	FY15
% Reports issues on schedule	100%	100%	100%	100%

Objective: To project City department budgets and fund budgets at or below budget.

Initiative: Provide monthly reconciliations of City budgets, and work with departments to ensure that revenues and expenditures are monitored and accurately forecasted.

	Actual	Adopted	Estimated	Proposed
Measure:	FY13	FY14	FY14	FY15
% Departments at or below net funding	100%	100%	96%	100%

Program: Annual Capital Improvement Program Development, Monitoring and Reporting **General Fund: \$79,779**
FTEs: 1.0

Goal: Stewardship of City's Capital Assets

Objective: To invest in public infrastructure.

Initiative: Manage decision-making process and information that allows for strategic investment in infrastructure.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
% of requested General Fund CIP projects approved for funding	83%	70%	70%	70%
% Dollar value of approved General Fund CIP/requested funding	56%	60%	60%	60%

Program: Strategic Initiatives **General Fund: \$296,649**
FTEs: 3.0

Goal: Well-Managed City

Objective: To initiate process improvements in City government that will increase the efficiency and effectiveness of operations.

Initiative: To implement process improvement initiatives.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# of Process improvement initiatives completed	2	2	2	2
% of Approved process improvement recommendations implemented by original target date	100%	100%	100%	100%

% of No cost process improvement recommendations implemented within 6 months of final approval	100%	100%	100%	100%
Staff hours/cost per process improvement	100/\$3,360	150/\$5,100	150/\$5,100	150/\$5,100

Objective: Engage in Continuous Process Improvements.

Initiative: Ensure implementation of all department strategic plan initiatives.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
% of Citywide Strategic Plan intermediate measures at or above target	34%	50%	75%	70%
% of FY14 Citywide Initiatives at or above milestone or target	61%	70%	70%	70%
% of Departments with Strategic Plans	60%	100%	100%	100%

Program: Organizational Development

General Fund: \$193,340

FTEs: 1.0

Goal: Well Managed City

Objective: To establish an exceptional, diverse, and engaged workforce.

Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# of employees participating in Durham First initiatives	1,800	1,800	2,025	2,000
City College	32	40	36	40
Leadership Academy	16	16	15	16
Leadership Conference	249	300	285	300
Admin. Professionals Conference	120	120	107	120
Average cost/employee Durham First initiatives	\$3	\$3	\$3	\$3
City College	\$70	\$50	\$58	\$50
Leadership Academy	\$860	\$860	\$1,000	\$860
Leadership Conference	\$17	\$17	\$22	\$17
Admin. Professionals Conference	\$13	\$13	\$13	\$13

Objective: Manage talent and ensure continuity of leadership.

Initiative: Increase employee engagement through organizational development initiatives.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
# of existing employees promoted to management positions	51	55	51	55
# of leadership program graduates promoted within 2 years	6	6	2	6

Program: Administration

General Fund: \$65,655

FTEs: 1.0

Goal: Well-Managed City

Objective: Ensure effective internal and external communication/satisfaction.

Initiative: Develop an action plan to address any issues on the employee opinion survey scoring below 70%. Improve communication and satisfaction with external customers (City Departments). Evaluate the level of effectiveness of various means of internal communication. Implement communication strategies identified as most effective.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of departments surveyed rating the budget process at satisfied or above	83%	80%	N/A	80%
% of questions on Employee Opinion Survey rated at or above 70	96%	80%	N/A	80%

BUDGET ISSUES FOR FY 2014-2015

- Implementation of the City strategic plan.
- Development and implementation of departmental strategic plans.
- Refining departmental performance measures.
- Implementation of performance based budgeting for all departments.

ACCOMPLISHMENTS FOR FY 2013-14

- Granted the Distinguished Budget Document award for the FY2012-13 budget from the Government Finance Officers Association. This is the 25th consecutive year that the City has received this award.
- Staffed the Citizen's Capital Improvement Panel (CCIP) Advisory Committee for the 11th year to enhance citizen participation in the prioritization and oversight of capital needs, as well as an Internal CIP Advisory Committee to improve coordination of capital projects within the City.
- Coordinated five Coffees with Council, a citywide PAC meeting, internet engagement activities, an e-Town Hall with Council, and two public hearings in an effort to solicit feedback from Durham residents and City employees on budget priorities for the upcoming fiscal year.
- Maintained a website for citizens and City staff to track annexation requests and further the goal of enhanced communications.
- Processed fourteen voluntary annexation petitions.

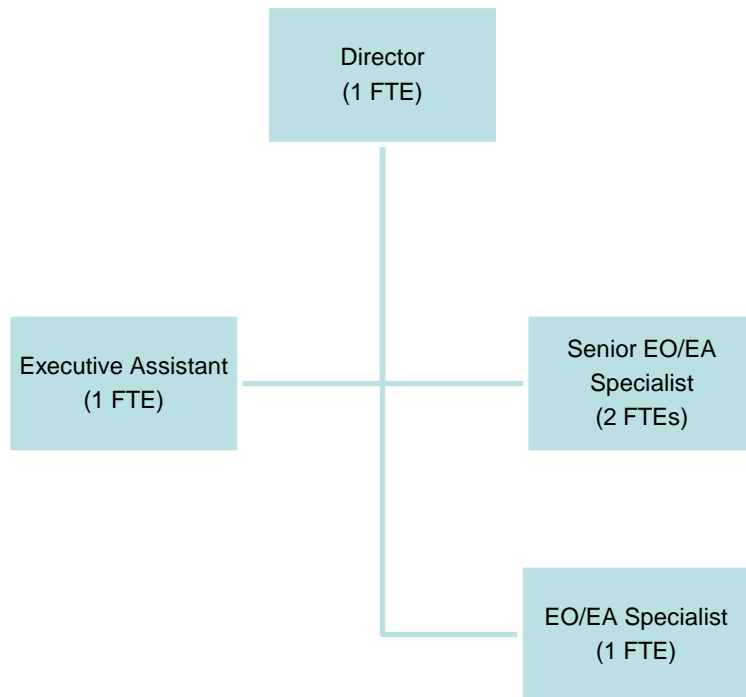
- Developed the City Manager recommended annual budget for FY2014-15 and the Capital Improvement Plan for FY2015-20.
- Posted the FY2013-14 final budget document to the City web site on June 30, 2013, and distributed thereafter.
- Maintained the CIP website to enable citizens to track the progress of capital improvement projects.
- Provided quarterly financial updates to the City Manager and Council. Proactively evaluated the fiscal impact of economic challenges, particularly with respect to revenues and development activity, and proposed effective financial strategies to prevent overspending and ensure a balanced FY2013-14 budget.
- Provided ongoing education opportunities to the public on the budget process and development of the FY2014-15 budget.
- Led organization-wide Culture of Service initiatives.
- Facilitated Executive Team retreats.
- Coordinated implementation of the FY2013 Residents Survey.
- Implemented recommendations from the FY2013 Employee Opinion Survey.
- Conducted Leadership Academy, City College, the fifth Annual Fall Leadership Conference and the sixth Annual Administrative Professionals Conference.
- Created and maintained a strategic plan dashboard for citizens and City staff to track progress on objectives, measures and initiatives and to obtain general information about the City's Strategic Plan.
- Continued to manage and implement process improvement recommendations.
- Continued coordination and oversight of the departmental Strategic Planning process.
- Expanded use of the SharePoint platform to provide better collaboration with departments on the Strategic Plan, annual budget and CIP development, and budget monitoring.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

- Develop and publish the FY2015-16 Budget and FY2016-21 Capital Improvement Plan.
- Monitor annual operating and CIP budgets.
- Refine the multi-year financial model.
- Refine the CIP model.
- Continue implementation of the Citywide strategic plan to include all joint City/County/DPS initiatives.
- Coordinate and provide oversight on the Departmental strategic planning process and implementation.
- Coordinate the development and implementation of strategic plan departmental dashboards.
- Continue implementation and oversight of process improvement recommendations.
- Identify and implement two process improvement initiatives.
- Provide quarterly financial updates to the City Manager and Council.
- Provide monthly financial updates to the City Manager.
- Coordinate annual Coffees with Council and other budget outreach efforts.
- Coordinate the evaluation and updating of departmental performance measures.
- Perform cost benefit analyses on voluntary annexation petitions as received.
- Maintain the CIP website.
- Continue to integrate Strategic Initiatives resources within the department to enhance the citywide focus on performance and delivery of services, leadership development, and a culture of service.
- Coordinate and provide oversight on biennial Employee Opinion Survey.
- Coordinate organizational Culture of Service initiatives.
- Continue to refine departmental performance measures.



Equal Opportunity/ Equity Assurance (5 FTEs)



EQUAL OPPORTUNITY AND EQUITY ASSURANCE

Purpose Statement:

To promote an environment that supports small business growth and inclusion.

DEPARTMENT DESCRIPTION

Equal Opportunity and Equity Assurance

\$581,430
5 FTEs

The Department of Equal Opportunity/Equity Assurance is responsible for the implementation of the City's Equal Business Opportunity Program (EBOP) and Small Local Business Enterprise Program (SLBEP). Responsibilities include:

- Recruitment of small disadvantaged business enterprises (SDBEs) and small local business enterprises (SLBEs) eligible to participate in the EBOP and SLBEP.
- Certification of businesses to service City contracts in the areas of construction, professional services, supplier/vendor, and non-professional services.
- Maintenance of the SDBE and SLBE databases of all currently certified businesses.
- Business development through the provision of technical assistance and support.
- Staff support to the EBOP Advisory Committee and the Mayor's Committee for Persons with Disabilities.
- Project identification for potential contracting opportunities from City departments.
- SDBE participation goal setting.
- EBOP and SLBEP compliance determination.
- Monitoring of SDBE and SLBE participation in City contracting activity.
- Reporting of SDBE and SLBE participation on City contracts and reporting on special projects as requested.
- Monitoring City compliance with Senate Bill 914 reporting requirements.

Business Services

Services consist of business recruitment, certification /recertification, database management, goal setting, compliance reporting, news brief and SDBE Spotlight.

Administrative Services

Services consist of program operations, financial operations, Human Resources functions, program monitoring, city and state compliance.

Technical Assistance Services

Series of small business education programs to include business finance, legal issues, bidding/estimating, small business technology, project management and other topics based on identified need.

RESOURCE ALLOCATION

	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Appropriations					
Personal Services	\$ 484,727	\$ 487,553	\$ 493,976	\$ 496,620	1.9%
Operating	70,355	80,319	220,280	79,310	-1.3%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 555,082	\$ 567,872	\$ 714,256	\$ 575,930	1.4%
Mayor's Committee for Persons with Disabilities	\$ -	\$ 5,550	\$ 4,184	\$ 5,500	-0.9%
Subtotal Nondepartmental	\$ -	\$ 5,550	\$ 4,184	\$ 5,500	-0.9%
Total Appropriations	\$ 555,082	\$ 573,422	\$ 718,440	\$ 581,430	1.4%
Full Time Equivalents	5	5	5	5	-
Part Time	1	1	1	1	-
Revenues					
Discretionary	\$ 555,082	\$ 573,422	\$ 718,440	\$ 581,430	1.4%
Program	-	-	-	-	0.0%
Total Revenues	\$ 555,082	\$ 573,422	\$ 718,440	\$ 581,430	1.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Business Services	General Fund:	\$282,458
		FTEs:	3.25
Goal:	Strong and Diverse Economy		
Objective:	SDBEs will receive a percentage of City of Durham construction and professional services contracting dollars.		
Initiative:	Recruit SDBE firms, seek and make available economic and business development opportunities for SDBE firms and monitor participation.		
	Actual FY13	Adopted FY14	Estimated FY14
Measures:			Proposed FY15
% of dollars spent with minority-owned SDBEs in professional services	8%	10%	8%
% of dollars spent with minority-owned SDBEs in construction	8%	15%	10%
% of dollars spent with women-owned SDBEs in professional services	3%	5%	5%
% of dollars spent with women-owned SDBEs in construction	5%	5%	5%

Objective: To make economic and business development opportunities in construction of up to \$500,000 and professional services \$100,000 or less available to Small Local Business Enterprises (SLBEs) in the Durham Metropolitan Statistical Area (MSA).

Initiative: Implement Durham Small Local Business Enterprise Program and monitor contracts awarded to SLBEs.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of professional services dollars spent with SLBEs from contracts \$100,000 or less	0%	25%	5%	10%
% of construction dollars spent with SLBEs from contracts \$500,000 or less	0%	25%	5%	10%

Program: Administrative Services **General Fund:** \$268,131
FTEs: 1.5

Goal: Well-Managed City

Objective: To find City contracting activity in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting 100% of the time.

Initiative: Audit contract compliance in the OnBase Contract Workflow System.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of contracts found in compliance with ordinance	93%	100%	95%	100%

Objective: To maintain a high level of departmental employee satisfaction.

Initiative: Implement departmental Employee Recognition Program; implement low/no cost morale boosters; allow staff participation in departmental decision-making.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
% of questions on the Employee Opinion Survey rated at 80% or above	100%	80%	100%	80%

Program: Technical Assistance Program **General Fund:** \$25,341
FTEs: 0.25

Goal: Strong and Diverse Economy

Objective: Provide at least six educational programs to at least 10 small businesses per session.

Initiative: Offer series of educational programs focused on identified needs of small businesses and promote participation in programs.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
# of small business participants per session	18	10	10	10
Average cost per session	\$280	\$280	\$422	\$422

Program:

Mayor's Committee for Persons With Disabilities

General Fund:

\$5,500

BUDGET ISSUES FOR FY 2013-14

- Maintaining current departmental service level to fulfill the responsibilities of the Equal Business Opportunity Program and Small Local Business Enterprise Program.

ACCOMPLISHMENTS FOR FY 2013-14

- Actively sought business opportunities for certified small disadvantaged business enterprises (SDBEs) in all City contracting, as well as Durham County Government, Durham Public Schools projects and private sector projects.
- Certified sufficient firms to begin full implementation of the SLBE Program.
- Began implementation of joint Disparity Study with Durham County Government,
- Completed and began implementation and monitoring of our departmental Strategic Plan.
- Conducted successful Minority Enterprise Development Week activities that included: an Awards Luncheon attended by approximately 125 persons and was highlighted by honoring six small businesses and two minority business advocates, a new development projects forum attended by approximately 70 participants , a Business After Hours event attended by approximately 40 participants, a Meet the Purchaser networking event with the Durham Chamber of Commerce attended by approximately 200 participants, a construction speed networking event attended by approximately 45 attendees and a Golf With A Minority Business Day with approximately 50 participants for golf and the golf clinic.
- Conducted six technical assistance seminars on various business development topics with an average of ten persons in attendance.
- Sent bid news brief to SDBEs every two weeks to advise them of business and educational opportunities and other information of interest to business owners.
- Sponsored a minority business networking event in coordination with the Greater Durham Black Chamber of Commerce and Lend Lease with approximately 50 attendees.

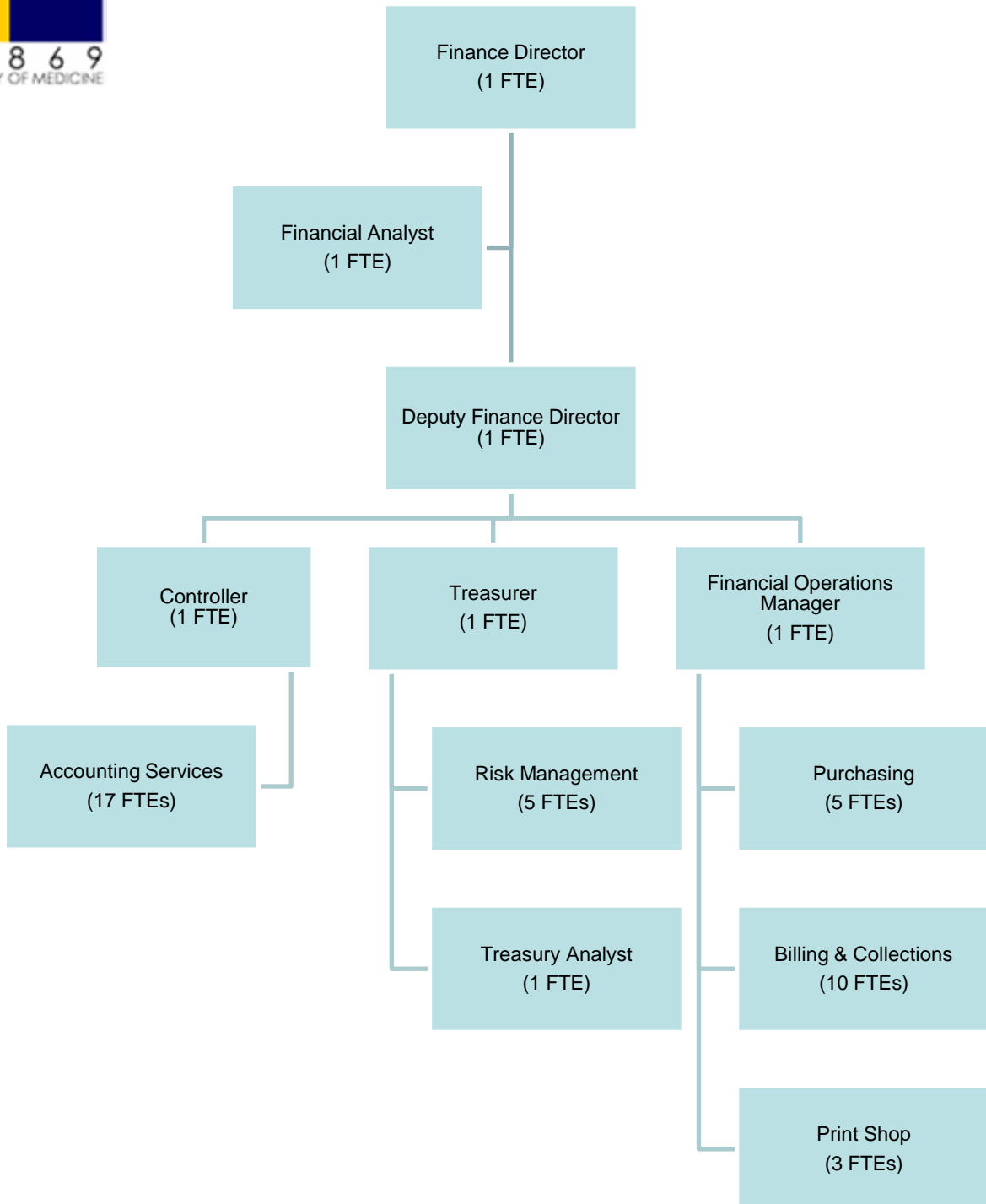
ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

- Complete the joint Disparity Study.
- Continue monitoring of our departmental strategic plan's goals, objectives, initiatives and measures.
- Continue business services to include educational programs designed to support small business development and capacity-building.
- Continue efforts to increase the numbers of SDBEs and SLBEs and the dollars they obtain through City contracting activity.
- Actively seek specific business opportunities for SDBEs and SLBEs on all City projects.
- Maintain high level of departmental employee satisfaction.



Finance

(47 FTEs)



FINANCE

Purpose Statement:

To protect the City's assets, efficiently process and record financial transactions, maintain fiscal integrity, provide timely, accurate and comprehensive financial reporting and analysis, and to professionally and prudently enhance the City's financial position.

DEPARTMENT DESCRIPTION

Finance

\$5,098,397
47 FTEs

The department is primarily responsible for enhancing the City's financial position. The department is divided into seven divisions: the office of the director, accounting services, treasury management, billing and collections, risk management and safety, purchasing, and the print shop.

Among other things, the department's budget includes the fees associated with the following contract payments to outside service providers: the fees to Durham County associated with the collection of property tax revenue under the interlocal tax contract; the fees associated with the provision of banking and lockbox services for the maintenance of the City's bank accounts; and, the fees for investment advisory services to manage a portion of the City's portfolio.

Office of the Director

This program provides leadership and management direction for the department and policy formulation and analysis for the City.

Payroll

This program processes the biweekly payroll checks for approximately 2,300 City employees.

Accounts Payable

This program provides accounts payable for approximately 57,500 invoices per year.

Financial Reporting

This program provides financial reporting including CAFR, annual and quarterly financial reports, and federal, state, and other agency reports.

Purchasing

This program provides a centralized approach for bid specifications and solicitations for apparatus, supplies, equipment, and materials for all departments. Also included are contract compliance and disposal of surplus property.

Treasury Management

This program provides cash, investment portfolio, debt management, and banking services oversight and management.

Interlocal Tax Contract

Interlocal property tax collection contract with Durham County.

Billing and Collections

This program provides a centralized approach for non-utility billing, issues business licenses, and provides a centralized approach for cash collections of all revenues due the City.

Print Shop

This program provides a full service copy and printing shop as well as mail services.

Risk Management & Safety

This program provides claim management, supports departments in occupational safety and OSHA compliance, and coordinates occupational health services.

RESOURCE ALLOCATION					
	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Appropriations					
Personal Services	\$ 3,490,653	\$ 3,505,153	\$ 3,508,731	\$ 3,450,054	-1.6%
Operating	1,415,874	1,518,274	1,503,443	1,648,343	8.6%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 4,906,527	\$ 5,023,427	\$ 5,012,174	\$ 5,098,397	1.5%
Full Time Equivalents	49	48	48	47	-1
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 4,629,465	\$ 4,329,744	\$ 4,302,159	\$ 4,412,471	1.9%
Program	88,889	96,344	112,572	105,700	9.7%
Total General Fund	\$ 4,718,354	\$ 4,426,088	\$ 4,414,731	\$ 4,518,171	2.1%
Water and Sewer Fund	188,173	190,960	191,064	193,602	1.4%
Debt Service Fund	-	-	-	-	0.0%
Risk Claims Fund	-	406,379	406,379	386,624	-4.9%
Total Revenues	\$ 4,906,527	\$ 5,023,427	\$ 5,012,174	\$ 5,098,397	1.5%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Administration **General Fund: \$483,220**
FTEs: 3

Goal: Well-Managed City

Objective: To maintain the highest possible credit ratings from all ratings agencies.

Initiative: To present information to the rating agencies that illustrates the City's financial, administrative, and economic strengths.

	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Measures:				
Credit rating issued by S&P	AAA	AAA	AAA	AAA
Credit rating issued by Fitch	AAA	AAA	AAA	AAA
Credit rating issued by Moody's	Aaa	Aaa	Aaa	Aaa

Objective: Ensure effective internal communication.

Initiative: Develop an action plan to address any issues on the employee opinion survey scoring below 65%.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
% of questions on employee opinion survey regarding communication rating at or above 65%	100%	100%	100%	100%
% of questions on employee opinion survey rated at or above 70%	96%	80%	96%	96%

Program: Payroll

General Fund: \$243,200

FTEs: 3.5

Goal: Well-Managed City

Objective: To process each bi-weekly payroll on time with error rate of less than 0.02%.

Initiative: To utilize best practices and continuously improve quality.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# Payroll checks issued	2,466	3,000	2,300	2,600
# Direct deposits	69,930	70,000	70,000	70,000
# Checks/advices issued with errors	5	12	8	8
% Checks/advices issued without error	99.99%	99.98%	99.99%	99.99%

Objective: To ensure that all balance sheet general ledger accounts associated with payroll are maintained accurately.

Initiative: To perform account reconciliations thoroughly each accounting period according to the established schedule.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# GL accounts reconciled	1,544	1,450	1,750	1,600
% GL accounts reconciled (corrected if necessary) each month	100%	100%	100%	100%

Program: Accounts Payable

General Fund: \$332,844

FTEs: 5.5

Goal: Well-Managed City

Objective: To pay 90% of all invoices within 30 days of invoice date.

Initiative: To utilize best practices and continuously improve quality.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# Invoices	54,180	52,500	57,500	59,000
% Invoices paid within 30 days	89%	90%	90%	90%

Objective: To maximize the number and percentage of invoices paid by electronic payment.
Initiative: To utilize best practices, reduce printing/postage costs, and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# Checks issued	33,416	30,188	34,500	32,450
# Electronic payments	20,764	22,312	23,000	26,550
% Electronic payments	38.3%	42.5%	40.0%	45.0%

Program: Financial Reporting **General Fund: \$816,367**
FTEs: 9

Goal: Well-Managed City
Objective: To prepare financial reports that are timely and of the quality warranting an unqualified audit opinion and GFOA awards for excellence in financial reporting.
Initiative: To prepare quality financial reports.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
Was audit opinion unqualified?	Yes	Yes	Yes	Yes
Did CAFR receive GFOA award?	Yes	Yes	Yes	Yes
Did Popular Report receive GFOA award?	Yes	Yes	Yes	Yes
# Significant material findings in internal and external audits	0	0	0	0

Program: Purchasing **General Fund: \$451,104**
FTEs: 6

Goal: Well-Managed City
Objective: To complete the purchasing cycle (requisition to PO) for 90% of purchases of commodities within 2 business days.
Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# Purchase orders (PO)	19,290	20,000	19,000	20,000
% Purchase orders issued within 2 business days	88%	90%	90%	90%

Objective: To increase the number of Purchasing card users and transactions.
Initiative: To utilize best practices in procurement.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# PCard users	326	340	360	380
# PCard transactions	11,291	12,000	12,500	13,000

Objective: To complete 95% of all Finance Officer's pre-audit certification of contracts within 3 days of notification via OnBase.

Initiative: To manage and follow-up on the process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# Contracts	1,014	1,000	1,000	1,000
% Contracts certified within 3 days	94%	95%	96%	95%

Program: Treasury Management

General Fund: \$524,948

FTEs: 2

Goal: Well-Managed City

Objective: To ensure that investment earnings for idle funds exceed the cost of managing those funds and contribute to the "bottom line."

Initiative: To more actively manage the City's investment portfolio.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
Investment % yield vs. average daily 2 year treasury yield for same period	-0.20%	+0.10%	0.08%	+0.10%
Actual investment earnings	283,281	1,060,000.0	1,060,000	750,000

Program: Interlocal Tax Contract

General Fund: \$1,076,512

FTEs: 0

Goal: Well-Managed City

Objective: To ensure that the County Tax Collector maximizes the property tax collection rate.

Initiative: To utilize best practices and to maximize the collection rate.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
% Collection rate	98.83%	98.50%	98.50%	98.75%

Program: Billing and Collections

General Fund: \$426,589

FTEs: 6

Water & Sewer Fund: \$193,602

FTEs: 4

Goal: Well-Managed City

Objective: To ensure that adjustments are made to false alarm bills as infrequently as possible.

Initiative: To monitor performance of outside service provider and make recommendations to continuously improve quality

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
\$ Value of false alarm bills issued	364,962	238,800	420,000	400,000
% False alarm bills adjusted	0.61%	0.50%	0.35%	0.35%

Objective: To maximize earnings from business licensing by ensuring that discovery efforts result in an increase in the number of licensed businesses.

Initiative: To increase diligence in identifying unlicensed businesses operating within the City and develop an "audit" program.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# Business licenses issued	13,365	11,900	11,900	11,900
# New licenses issued resulting from discovery efforts	121	400	300	300
\$ Generated from business licenses issued from discovery efforts	19,245	87,188	60,000	60,000

Objective: To ensure that payments received are posted accurately.

Initiative: To utilize best practices and continuously improve quality.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
% Payments posted accurately	99%	99%	99%	99%

Objective: To reduce the amount of delinquent accounts and increase collection rates.

Initiative: To pursue more aggressive collection efforts utilizing new tools such as collection agency, wage garnishment, bank account attachment, and other strategies as appropriate or allowed by law.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
% Delinquent UB accounts placed with collection agency	78%	68%	68%	68%
% Collection/recovery UB accounts - collection agency	12%	10%	10%	10%
Internal collections rate - select GB segments	65%	65%	70%	70%

Program: Risk Management and Safety

Risk Claims Fund: \$386,624
FTEs: 5

Goal: Safe and Secure Community

Objective: To ensure the safety of city facilities and work-sites by increasing the number of safety inspections and by evaluating facility and site inspection reports to identify and correct hazards and potential hazards.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# Inspections	92	48	100	100
% Change in number of inspections	61%	37%	9%	0%
# Deficiencies noted	344	300	300	250
% Deficiencies corrected within 90 days	88%	75%	75%	75%

Objective: To reduce the average number of loss workdays per claim by 5%.

Initiative: To develop new employee safety program that will include training more closely targeted at work hazards and exposures and other risks identified through claims analysis.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# Worker's compensation claims	307	295	250	295
Average loss workdays per claim	3.21	6.00	5.20	5.00

Objective: To reduce at fault automobile accidents by 5%.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# At fault auto accidents	135	171	128	121
% Reduction in number of at fault automobile accidents	31%	5%	5%	6%

Program: Print Shop

General Fund: \$163,387

FTEs: 3

Goal: Well-Managed City

Objective: To ensure that the Print Shop is utilized to the maximum extent possible to minimize total printing and duplicating services expenses.

Initiative: To utilize best practices and manage expenses.

	Actual	Adopted	Estimated	Proposed
Measures:	FY13	FY14	FY14	FY15
# Print jobs	1,852	2,300	1,600	1,600
% Print jobs produced in-house	96%	96%	98%	98%
# Impressions generated	3,486,028	3,600,000	3,600,000	3,600,000

BUDGET ISSUES FOR FY 2014-15

- Reductions in staffing levels over the past several budget years will continue to create challenges within the department as workloads and demands for services have not declined.
- Attracting and retaining qualified employees, succession planning, and maintaining the current high levels of morale will all continue to be issues for the upcoming fiscal year.

ACCOMPLISHMENTS FOR FY 2013-14

- Conducted departmental Strategic Plan sessions and finalized Strategic Plan
- Contributed to the Culture of Service to Co-workers initiative by hosting Safety Expo
- Supported state-wide roll out of Tax and Tag Together initiative, including developing equitable method for allocating costs with the County and revising Interlocal Agreement
- Supported roll-out of Monthly Financial Reporting (joint project with BMS)
- Coordinated completion of new NC-4 State Withholding Form for all employees and entered new data into the system
- Supported software update to MUNIS version 10.3
- Implemented new system for Convention Center accounting to ensure problems will not occur in the future
- Analyzed various economic development projects, including Ninth Street project and City Center/Jack Tar project
- Updated debt model and indirect cost plan based on latest round of assumptions
- Supported implementation of monthly Solid Waste fee
- Received a “clean” and unmodified audit opinion, with no issues to report in the Management Letter, on the FY 2012-13 financial statements along with a single audit report that identified no findings related to the City’s expenditure of Federal Funds
- Increased the use of procurement cards by City departments and e-payables program to take advantage of rebates and to lower accounts payable costs
- Wrote several new Finance policies and conducted training regarding compliance (e.g., Badge Policy)
- Filled open positions, including Risk Manager, Purchasing Agent, Risk Administrative Coordinator, Payroll Clerk, Cashier, Cashiering Supervisor, and Senior Accountant
- Maintained credit ratings that make the city one of the highest rated public entities in the country including conducting Water & Sewer surveillance call with Fitch that affirmed Triple-A rating with a stable outlook
- Issued \$34.7 million Series 2013 LOBs at 3.61% TIC to fund the costs of stadium improvements at the DBAP and various other projects, and to replace small amount of remaining variable rate debt with fixed rate bonds
- Contracted with new investment advisor Valley View and developed new investment strategy; liquidated holdings with DANA advisors and reinvested proceeds
- Implemented lock-box solution for business license receipts
- Received 28th consecutive Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR)
- Received ninth consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting
- Received 11th consecutive Sustained Professional Purchasing Award from the Carolinas Association of Governmental Purchasing

ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

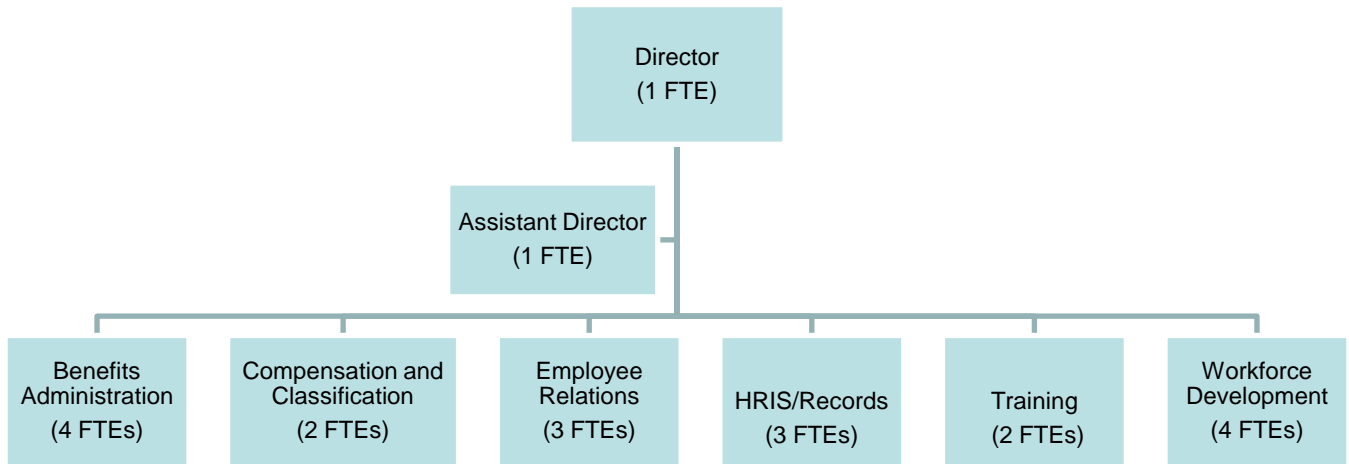
- Improve Risk Management and Safety functions and continue working on the improvement plan.
- Document procedures within Risk Management.
- Develop and deliver defensive driving training program.
- Identify options for increasing electronic payments.
- Identify methods to increase collections on amounts owed to the City.
- Implement pilot program within Water Management CIP to simplify CIP budgeting and accounting.
- Develop customized MUNIS training for specific user groups (e.g. project managers).
- Develop customer service survey tool.
- Develop marketing framework for financial consulting services.
- Conduct overall review of procurement process.
- Continue the oversight of program accountants responsible for administering grants.

- Provide monthly and quarterly financial updates to the City Manager and Council (joint projects with BMS Department).
- Maintain the City's credit ratings.
- Monitor recent, upcoming, and anticipated GASB pronouncements, how they are being addressed, and the impacts they are expected to have on financial reporting and budgeting.



Human Resources

(20 FTEs)



HUMAN RESOURCES

Purpose Statement:

To recruit, retain and develop the best possible workforce for the City of Durham.

DEPARTMENT DESCRIPTION

Human Resources

\$1,751,014

20 FTEs

The Human Resources Department provides the City of Durham with personnel based services. These services are dedicated to attracting and retaining well qualified employees and to creating a positive environment in which the employees work. The services provided to departments include: benefits, selection and recruiting, compensation and classification, training, employee relations, wellness, and consultation on employee relations matters and organizational issues. The department provides administration and oversight of the City's benefit plans, wellness and Employee Assistance Program (EAP), substance abuse testing, coordinates training, and ensures compliance with federal and state regulations and consults/advises on organization policies.

The department assists the City's administration through advice and consultation on personnel related issues, policy development and maintenance as well as participation in the City's organizational development and strategic planning activities. The Human Resources Department administers the City's pay and classification system, benefits program, recruitment and selection process, personnel records process, regulatory compliance and response process, and employee relations activities; coordinates with Technology Solutions regarding the ERP system.

General Administration

The Administration unit is responsible for consistent development, application, interpretation and communication of personnel policies to management, supervisors, employees and the public; for the development and coordination of responses to various compliance agency cases; and for the overall operation of the department including the day-to-day operations, finances, and the budget. This team provides technical and clerical support to the Human Resources Department including office reception, office management, personnel record maintenance, storage and disclosure, providing database reports, and provision of appropriate forms and procedural information to employees who contact the Human Resources Department.

HRIS/Records

The team coordinates the MUNIS system needs of the HR Department with the Technology Solutions Department concerning the organization's HRIS systems. This team is responsible for personnel action processing and leave adjustments, for the disclosure, security and maintenance of personnel files, payment of department invoices, contract entry, and leave maintenance and entry for the Human Resources Department. The team works with the other staff and the Technology Solutions Department in determining Human Resources technology needs and software/hardware solutions to meet the needs for the HRIS system. Activities include review and upgrades of MUNIS (with Technology Solutions), administration of an applicant tracking system, Personnel action entry and approval.

Benefits Administration

The Benefits Administration team is responsible for the central management of employee benefit programs, substance abuse policy administration, the employee assistance program, the Medicare Supplement program, Paid Temporary Disability coordination; HIPAA and FMLA management and training and coordination of the retiree benefits program and retiree planning; COBRA administration; preparation of benefit survey responses, and benefit regulation compliance for the department. Develops the request for proposal for benefits and benefits brokerage services. Responsibility for coordination of the military leave process and personal illness process and for the preparation of any benefits request for proposals is included.

Workforce Development

The Workforce Development Team provides complete HR staffing and selection services to all departments. This includes: screening applications, ensuring that jobs are appropriately advertised, assisting with interview panels and assessment processes in departments, conducting targeted and specialized recruitment, job fair attendance, re-entry program coordination, personnel action processing, and providing information and assistance to employees in departments. The team also provides a part of the MUNIS module management for HR and prepares and executes the RFP for temporary staffing agency services. Administers and proctors Police and Fire testing for various promotional processes.

Compensation and Classification

The Compensation and Classification Team provides guidance in the fair and equitable management of positions for all city employees by conducting position audits and market surveys, maintaining the full-time classification and pay plans, reviewing or advising departments concerning any departmental part time pay plans; administering the performance management system, providing FLSA guidance and providing training in related areas. The unit also provides oversight for the various pay plans that the City maintains.

Training

The Training and Development Team provides a variety of services that enhance employees' overall value to the organization and maximize service delivery to the citizens of Durham. The services provided include training and educational opportunities including technical skills and communication skills (workshops, courses, and career development), customized facilitations, MUNIS Employee Self Service administration and request for proposals for professional training consultants and facilitators. Monitors the fund from which organization-wide training is paid. This includes trainers, consultants, facilitators, training resources, and tuition reimbursement for all City employees. This team also provides coordination of two community services programs, Durham Neighborhood College and Junior Leadership Durham, ensures the bi-annual survey for the HR Department is conducted and develops and implements the Request for Proposal for records.

Employee Relations

The Employee Relations Team provides services including coordinating, facilitating and monitoring Employment Security Commission (ESC) hearings, assigned investigations, grievances, mediations and responses. The team assists in responding to Equal Employment Opportunity Commission (EEOC) and Retaliatory Employment Discrimination Act (REDA) complaints. Conducts various trainings related to employee relations in New Employee Orientation (NEO) as well as in stand-alone training.

RESOURCE ALLOCATION

	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Appropriations					
Personal Services	\$ 1,533,134	\$ 1,679,066	\$ 1,589,301	\$ 1,645,878	-2.0%
Operating	79,588	104,085	96,292	105,136	1.0%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 1,612,722	\$ 1,783,151	\$ 1,685,593	\$ 1,751,014	-1.8%
Nondepartmental					
Drug Testing	\$ -	\$ -	\$ 3,057	\$ -	0.0%
Flex Reimbursement	55,079	30,000	30,000	30,000	0.0%
Unemployment Compensation	407,127	400,000	700,000	300,000	-25.0%
Subtotal Nondepartmental	\$ 462,206	\$ 430,000	\$ 733,057	\$ 330,000	-23.3%
Total Appropriations	\$ 2,074,928	\$ 2,213,151	\$ 2,418,650	\$ 2,081,014	-6.0%
Full Time Equivalents	20	20	20	20	-
Part Time	1	1	1	1	-
Revenues					
Discretionary	\$ 2,074,928	\$ 2,134,186	\$ 2,337,304	\$ 2,000,275	-6.3%
Program	-	-	-	-	0.0%
Total General Fund	\$ 2,074,928	\$ 2,134,186	\$ 2,337,304	\$ 2,000,275	-6.3%
Employee Insurance Fund	-	78,965	81,346	80,739	2.2%
Total Revenues	\$ 2,074,928	\$ 2,213,151	\$ 2,418,650	\$ 2,081,014	-6.0%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: General Administration **General Fund: \$291,790**
FTEs: 2

Goal: Well Managed City
Objective: To maintain customer satisfaction with HR services.
Initiative: Survey organization at least once annually.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
Surveys Completed	520	550	550	605
% Employees completing Survey	23%	25%	25%	35%
%Employees rating HR services satisfactory or better	54%	85%	85%	90%

***Customer Satisfaction Survey in process**

Program: HRIS **General Fund: \$232,164**
FTEs: 3

Program: HRIS/Records

Goal: Well Managed City

Objective: To provide comprehensive, secure Human Resources documentation, information and data management.

Initiative: Maintain accurate MUNIS records, personnel records, Employee Self Service (ESS), document management intake.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
#Requests for copied records	52	60	58	58
%Response to request (defining data needed with customer within 48 hours)	98%	90%	98%	98%

Program: Benefits **General Fund: \$319,840**
FTEs: 4

Goal: Well Managed City

Objective: To have a healthy workforce.

Initiative: To provide wellness activities and information to employees.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# Wellness activities or programs provided	80	50	50	55
# Health risk assessment surveys or studies conducted	1,000	900	1,850	2,080
Average claim amount (Per Employee Per Month)	\$734	\$650	\$780	\$760

Program: Classification & Compensation **General Fund: \$184,333**
FTEs: 2

Goal: Well Managed City

Objective: To maintain satisfaction with salary and classification services.

Initiative: To recognize employees' work and align job duties/responsibilities with City goals and market values.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# Reclassification studies (occupied positions) completed during annual process	63	43	63	57
% Appeals that are upheld	N/A	95%	N/A	N/A
% City employees ranking the compensation and classification systems as satisfactory or better	34%	75%	75%	77%
# Pay system adjustments needed	37	25	25	25
% Pay system adjustments implemented	100%	85%	60%	87%
% Studied classifications whose midpoint is within 90% of market	93%	95%	93%	95%

**Customer Satisfaction Survey in process*

**Market and Reclass process in progress*

Program: Workforce Development **General Fund:** \$293,880
FTEs: 4

Goal: Well Managed City
Objective: To recruit and retain applicants for City employment.
Initiative: Reduce recruitment/selection time from posting to hire.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
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# Days from posting to hire	50	50	50	40
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Goal: Well Managed City
Objective: Ensure effective internal & external communication/satisfaction.
Initiative: Develop and action plan to address any issues on the employee opinion survey scoring below 65%. Improve communication and satisfaction with external customers (City departments). Evaluate the level of effectiveness of various means of internal communication strategies identified as most effective.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
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% Questions on annual survey to departments rating at satisfied or above	45%	65%	65%	70%
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% Questions on the Employee Opinion Survey rated at 70% or above	N/A	80%	80%	85%
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**Customer Satisfaction Survey in process*
**EOS pending*

Program: Training **General Fund:** \$208,562
FTEs: 2

Goal: Well Managed City
Objective: To promote a positive work environment, increasing the number of positive contacts.
Initiative: To promote employee professionalism and respect for coworkers.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
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# Workshops and training events held	68	60	60	66
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% Registered employees who attend workshops or training	97%	90%	90%	92%
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% Employees rating meetings, workshops, trainings as effective	97%	85%	97%	97%
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Goal: Well Managed City
Objective: To provide training to individuals to enhance their career development.
Initiative: To survey training participants to learn if training was beneficial.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
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# Training participants	1100	800	800	880
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% Rating training classes as satisfactory or above	98%	94%	94%	96%
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% Stating training was beneficial to career enhancement and/or job performance

97%

90%

90%

92%

Program: Employee Relations

General Fund: \$220,445

FTEs: 3

Goal: Well Managed City

Objective: To promote a positive work relationship between employees and the organization and with each other regarding equal employment opportunity, fairness and consistency in treatment, and complaint resolution.

Initiative: To reduce the number of complaints/grievances.

Measures:	Actual FY13	Adopted FY14	Estimated FY14	Proposed FY15
# of Complaints	22	26	15	12
% of Complaints resolved	90%	95%	95%	98%
# of Grievances	19	25	20	19
% of Grievances resolved	75%	85%	100%	100%
% of Complaints/Grievances held within 30 days	50%	75%	70%	80%

BUDGET ISSUES FOR FY 2014-15

- Continue development of targeted and active recruitment strategies.
- Continue development of wellness program and review case management with insurance providers.
- A 3% budget reduction will negatively impact the department's ability to efficiently deliver core services.
- Implementation of an applicant tracking system.

ACCOMPLISHMENTS FOR FY 2013-14

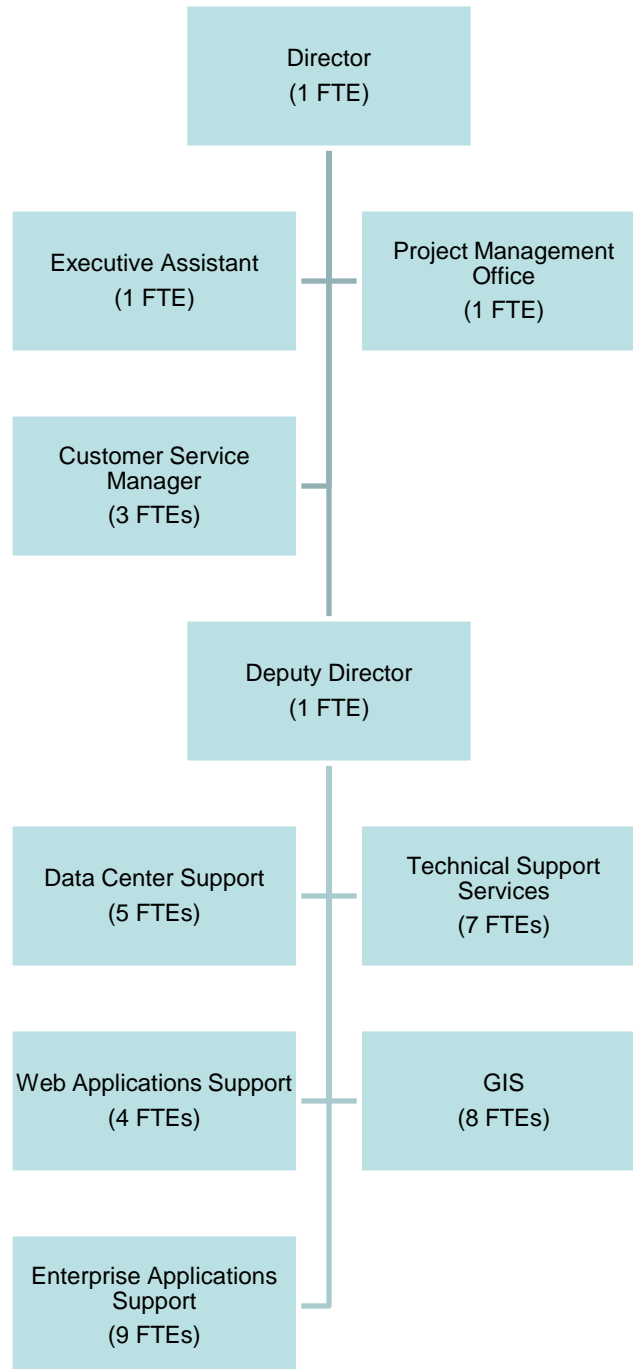
- Issued an RFP for an applicant tracking system.
- Refined the tracking, reporting, and management of employee grievances.
- Implemented a new standard reporting structure for investigations.
- Facilitated bonus payments for general pay plan employees
- Continued targeted recruitment and outreach programs (staff participated in job fairs, re-entry hiring, direct contact with schools).
- Continued implementation of the departmental strategic plan.
- Maintained compensation systems (Executive, Exempt, Non-Exempt, General, Part-time) to ensure competitiveness.
- Continued City wide wellness program activities.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

- Establish and communicate service level agreements for all functional units.
- Revise department performance measures.
- Update Human Resources Policies.
- Contain healthcare costs through usage analysis and providing member education.
- Continue updates as needed to maintain current and accurate job descriptions.
- Maintain compensation systems (Executive, Exempt, Non-Exempt, General, and Part-time) to ensure competitiveness.
- Implement Applicant Tracking System.
- Continue City wide wellness program activities.



Technology Solutions (40 FTEs)



TECHNOLOGY SOLUTIONS

Purpose Statement:

To provide quality Information Technology (IT) services and solutions that brings optimal business value to our customers.

DEPARTMENT DESCRIPTION

Technology Solutions Department

\$6,048,839
40 FTEs

The core business of the Technology Solutions (TS) Department is to align the City's crucial information technology infrastructure, services, solutions, and TS human capital to the business needs of the City's departments.

Administration

This program provides for strategic planning and executive management of the Technology Solutions Department. Within the TS department's administrative program, there are three additional business programs: Project Management Office, IT Governance (has not been implemented at this time), and Customer Service Management.

Technical Support Services

The Technical Support Services Program supports the maintenance of desktop systems, network services and data center operations. This division of the TS department also manages the PC Replacement Program and systems administration of the metropolitan voice/data network and datacenter. It provides efficient and effective computer and infrastructure support services for employees, desktop systems and application, telecommunications, security, network and data center infrastructure and operations. This program also manages the multifunctional print devices (copiers) contract for the City of Durham.

Innovation & Solutions

The Innovations and Solutions Program provides business analysis, web applications development, database development and administration, and enterprise systems support. This program works with the business units to effectively align IT solutions to their business needs. Critical applications such as Payroll, Accounts Payable, Water Billing, Budget, Human Resources, Contract and Document Management, Work Order Management, etc. are supported by this division.

The Geographic Information Systems

This program operates under an inter-local agreement between the City and County governments to manage the enterprise Geographic Information System and provide related services to internal and external customers. GIS provides and supports critical spatial analytic services that support decision makers in the City and County of Durham.

Technology Surcharge / Land Development Office (LDO)

The City's Planning and Inspections Departments collect a technology surcharge fee applicable to development permits. These revenues are designated to improving technology associated with the LDO. This application provides automation for permit and case management. It also provides interoperability between departments involved in land development activities throughout the County.

RESOURCE ALLOCATION

	Actual FY 2012-13	Adopted FY 2013-14	Estimated FY 2013-14	Proposed FY 2014-15	Change
Appropriations					
Personal Services	\$ 3,356,745	\$ 3,727,967	\$ 3,691,994	\$ 3,770,049	1.1%
Operating	2,099,097	1,977,681	2,213,394	1,980,081	0.1%
Capital and Other	87,687	-	-	250,000	100.0%
Transfers	48,709	48,709	48,709	48,709	0.0%
Total Appropriations	\$ 5,592,238	\$ 5,754,357	\$ 5,954,097	\$ 6,048,839	5.1%
Full Time Equivalents	41	40	40	40	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 5,197,681	\$ 5,176,489	\$ 5,376,229	\$ 5,477,228	5.8%
Program	394,557	577,868	577,868	571,611	-1.1%
Total Revenues	\$ 5,592,238	\$ 5,754,357	\$ 5,954,097	\$ 6,048,839	5.1%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Administration	General Fund:		\$1,071,225
		FTEs:		7
Goal:	Well-Managed City			
Objective:	To efficiently and effectively align resources and services with business needs maintaining operating costs at less than 5% of City overall budget; and receive a 90% or better customer satisfaction rating.			
Initiative:	Establish Citywide IT Governance Framework based on best practice methodologies focused on information technology (IT) systems, their performance and risk management to accomplish goal. Create new programs to manage and align to business needs.			
Measures:	Actual FY 13	Adopted FY 14	Estimated FY 14	Proposed FY 15
% of Workplan projects completed on time.	80%	90%	90%	90%
% IT overall satisfaction (Bi-annual)	90%	90%	90%	90%
% of TS work plan projects completed on time	80%	90%	90%	90%
Program:	Technical Support Services	General Fund:		\$2,272,566
		FTEs:		12
Goal:	Well-Managed City			
Objective:	Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.			
Initiative:	Align TS Infrastructure and computer support services and resources to the business needs of the City using best practice methodologies.			

	Actual FY 13	Adopted FY 14	Estimated FY 14	Proposed FY 15
Measures:				
% IT overall Satisfaction (Help Desk)	93%	90%	90%	90%
% Requests completed within 24 hours or by customer approved due date	80%	90%	90%	90%
% of Infrastructure Uptime	99.6%	99.9%	99%	99.9%
% of Available Data Center Capacity	91.9%	20%	92%	20%

Program: Innovation & Solutions **General Fund:** \$1,662,634
FTEs: 13

Goal: Well-Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.

	Actual FY 13	Adopted FY 14	Estimated FY 14	Proposed FY 15
Measures:				
% IT overall Satisfaction (Help Desk)	90%	90%	90%	90%
Tickets closed per analyst	297	297	297	297
% Requests completed within 24 hours or by customer approved due date	88%	90%	88%	90%

Program: Geographic Information Systems **General Fund:** \$837,628
FTEs: 8

Goal: Well-Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.

	Actual FY 13	Adopted FY 14	Estimated FY 14	Proposed FY 15
Measures:				
% IT overall Satisfaction (Help Desk)	92%	90%	92%	90%
% Requests completed within 24 hours or by customer approved due date	97%	90%	96%	90%

Technology Surcharge/Land Development Office (LDO) **\$204,786**

BUDGET ISSUES FOR FY 2014-15

- Unanticipated departmental requested projects have an impact on TS ability to complete its work plan.

ACCOMPLISHMENTS FOR FY 2013-14

- Sharp multi-functional printer rollout completed.
- MUNIS automated leave request pilot completed.
- MUNIS 10.3 upgrade completed.
- Implemented new City Intranet (SharePoint).
- QC and implement 2014 Orthos from NC project completed.
- CIP application (Mapping portion) upgraded.
- Solid waste tax project completed.
- Community Development OnBase scanning completed.
- Firehouse system infrastructure project completed.
- OEWD move completed.
- Transportation bus stop application completed.
- NIS Durham Neighborhood Compass Phase 1 completed.
- Office 2010 rollout completed.
- OnBase 13.0 upgrade completed.
- Primavera infrastructure upgrade completed.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

- Implement data center storage cost avoidance initiative.
- Implement GIS improvements.
- Implement Network Infrastructure improvements.
- Implement Open data initiative.
- Implement Web 2.0 initiative.